

Department of Social Services  
FY 2018 MO HealthNet Supplemental  
New Decision Item Reconciliation

|            |   | 1                                    |               |               |               | 2  |               |               |               | 3  |             |             |             |
|------------|---|--------------------------------------|---------------|---------------|---------------|--|---------------|---------------|---------------|--|-------------|-------------|-------------|
|            |   | FY 2018 TAFP Appropriation Available |               |               |               | FY 2018<br>Projected Expenditures<br>(Based on November Payroll Projections) |               |               |               | FY 2018<br>Projected Need over TAFP<br>(Based on November Payroll Projections) |             |             |             |
| HB Section | Program   | GR                                   | Fed           | Other         | Total         | GR   | Fed           | Other         | Total         | GR   | Fed         | Other       | Total       |
| 11.435     | Pharmacy  | 137,846,638                          | 835,101,261   | 323,690,313   | 1,296,638,212 | 130,197,095  | 816,694,218   | 323,690,313   | 1,270,581,626 |  |             |             |             |
| 11.455     | Physician Services                                  | 96,850,218                           | 213,853,273   | 13,504,004    | 324,207,495   | 166,726,527  | 319,002,752   | 13,504,004    | 499,233,283   | 69,876,309   | 105,149,479 | 0           | 175,025,788 |
| 11.460     | Dental Services                                     | 394,371                              | 2,522,837     | 919,935       | 3,837,143     | 1,402,081  | 4,177,740     | 919,935       | 6,499,756     | 1,007,710  | 1,654,903   | 0           | 2,662,613   |
| 11.470     | Nursing Facilities                                  | 134,380,603                          | 377,023,235   | 7,010,954     | 518,414,792   | 139,196,937  | 373,884,434   | 7,010,954     | 520,092,325   | 4,816,334  |             | 0           | 4,816,334   |
| 11.480     | Rehab & Specialty                                   | 81,855,530                           | 155,500,913   | 2,440,669     | 239,797,112   | 96,680,666   | 185,335,170   | 2,440,669     | 284,456,505   | 14,825,136   | 29,834,257  | 0           | 44,659,393  |
| 11.480     | Non-Emergency Medical Transportation (NEMT)         | 13,297,060                           | 27,275,546    | 0             | 40,572,606    | 13,521,396   | 24,324,999    | 0             | 37,846,395    | 224,336  |             | 0           | 224,336     |
| 11.510     | Hospital Care                                       | 13,607,792                           | 246,794,653   | 128,287,369   | 388,689,814   | 64,488,541   | 438,202,655   | 185,503,782   | 688,194,978   | 50,880,749   | 191,408,002 | 57,216,413  | 299,505,164 |
| 11.520     | Federally Qualified Health Centers (FQHCs)          | 0                                    | 0             | 0             | 0             | 0  | 0             | 0             | 0             | 0  | 0           | 0           | 0           |
| 11.530     | Federal Reimbursement Allowance (FRA) Program       | 0                                    | 0             | 1,280,818,734 | 1,280,818,734 | 0  | 0             | 1,370,127,055 | 1,370,127,055 | 0  | 0           | 89,308,321  | 89,308,321  |
| 11.560     | Show-Me Healthy Babies Program                      | 3,510,090                            | 10,478,712    | 0             | 13,988,802    | 7,126,544  | 21,268,100    | 0             | 28,394,644    | 3,616,454  | 10,789,388  | 0           | 14,405,842  |
| 11.590     | Nursing Facilities Reimbursement Allowance Payments | 0                                    | 0             | 351,448,765   | 351,448,765   | 0  | 0             | 358,308,579   | 358,308,579   | 0  | 0           | 6,859,814   | 6,859,814   |
|            |   | 343,895,664                          | 1,033,449,169 | 1,784,430,430 | 3,161,775,263 | 489,142,692  | 1,366,195,850 | 1,937,814,978 | 3,793,153,520 | 145,247,028  | 338,836,029 | 153,384,548 | 637,467,605 |

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|            |   | 4                                       |             |           |             |   | 5  |            |       |             |  | 6  |            |       |            |
|------------|---|---|-------------|-----------|-------------|---|--|------------|-------|-------------|--|--|------------|-------|------------|
|            |   | FY 2018<br>Unfunded<br>Cost-to-Continue |             |           |             |   | FY 2018<br>Aged, Blind, and Disabled (ABD) Utilization Trend over Cost-to-Continue |            |       |             |  | In FY 2017 flexibility was used from the Pharmacy appropriation to the Physician and Hospital appropriations. On-going funding is needed to meet anticipated expenditures associated with FY 2017 ABD utilization. |            |       |            |
| HB Section | Program   | GR                                      | Fed         | Other     | Total       | Explanation   | GR   | Fed        | Other | Total       | Explanation  | GR   | Fed        | Other | Total      |
| 11.435     | Pharmacy  |   |             |           |             |   |  |            |       |             |  |  |            |       |            |
| 11.455     | Physician Services                                  | 16,502,940                              | 80,078,367  |           | 96,581,307  |   | 16,535,567   | 29,730,709 |       | 46,266,276  | \$13.4M GR ABD increased utilization in Clinics (Permanently and Totally Disabled and Older Adults) and FQHC's (Older Adults)<br><br>\$3.1M GR DMH Increase in Utilization (Disease Management \$2.6M GR & DMH Health Homes \$0.5M GR) | 17,435,128   |            |       | 17,435,128 |
| 11.460     | Dental Services                                     | 1,263,321                               | 1,827,159   |           | 3,090,480   |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.470     | Nursing Facilities                                  | 770,272                                 | 2,144,693   |           | 2,914,965   |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.480     | Rehab & Specialty                                   | 5,058,725                               | 6,234,005   |           | 11,292,730  |   | 9,766,411  | 23,600,252 |       | 33,366,663  | ABD utilization increases in Hospice (\$5.2M GR), Durable Medical Equipment (DME) (\$2M GR), Ambulance (\$0.3M GR), and other  |  |            |       | 0          |
| 11.480     | Non-Emergency Medical Transportation (NEMT)         |   |             |           | 0           |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.510     | Hospital Care                                       | 32,678,768                              | 94,589,621  |           | 127,268,389 |   | 9,049,845  | 16,271,490 |       | 25,321,335  | ABD Hospital inpatient utilization experiencing 13% increase in ABD days. Hospital outpatient experiencing 18% utilization in Older Adults, and 5% utilization increase in Permanently and Totally Disabled.                           |  | 36,296,073 |       | 36,296,073 |
| 11.520     | Federally Qualified Health Centers (FQHCs)          | 57,369                                  | 1,657       |           | 59,026      |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.530     | Federal Reimbursement Allowance (FRA) Program       |   |             |           | 0           |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.560     | Show-Me Healthy Babies Program                      | 2,883,419                               | 8,228,174   |           | 11,111,593  |   |  |            |       | 0           |  |  |            |       | 0          |
| 11.590     | Nursing Facilities Reimbursement Allowance Payments |   |             | 7,630,857 | 7,630,857   | Other Fund: Nursing Facility Reimbursement Allowance (0196) |  |            |       | 0           |  |  |            |       | 0          |
|            |   | 59,214,814                              | 193,103,676 | 7,630,857 | 259,949,347 |   | 35,351,823   | 69,602,451 | 0     | 104,954,274 |  | 17,435,128   | 36,296,073 | 0     | 53,731,201 |

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|            |   | Explanation of Need   |            |            |             |   |   |   |   |           |            |  |              |           |              |   |
|------------|---|---|------------|------------|-------------|---|---|---|---|-----------|------------|--|--------------|-----------|--------------|---|
|            |   | 7   |            |            |             |   | 8   |   | 9   |           |            | 10   |              |           |              |   |
|            |   | Fee-For-Service (FFS) Window Prior to Participant Enrollment in a Managed Care Health Plan<br>(experiencing more expenditures due to window beyond what was originally projected for FY 2018) |            |            |             |   | Additional Need for FRA Authority for Disproportionate Share Hospital (DSH) Payment and Inpatient Upper Payment Limit (UPL) |   | Federally Qualified Health Center (FQHC)/Rural Health Clinic (RHC) Cost Settlements Offset by Check |           |            | Adjustment to FY 2018 Unfunded Cost-to-Continue based on Year to Date Experience |              |           |              |   |
| HB Section | Program   | GR  | Fed        | Other      | Total       | Explanation   | Other   | Explanation   | GR  | Federal   | Total      | GR   | Fed          | Other     | Total        | Explanation   |
| 11.435     | Pharmacy  |   |            |            |             |   |   |   |   |           |            |  |              |           |              |   |
| 11.455     | Physician Services                                  | 13,123,785  | 23,596,374 |            | 36,720,159  |   |   |   | 4,049,008   | 7,280,057 | 11,329,065 | 2,229,881  | (35,536,029) |           | (33,306,148) |   |
| 11.460     | Dental Services                                     |   |            |            | 0           |   |   |   |   |           | 0          | (255,611)  | (172,256)    |           | (427,867)    |   |
| 11.470     | Nursing Facilities                                  |   |            |            | 0           |   |   |   |   |           | 0          | 4,046,062  | (2,144,693)  |           | 1,901,369    |   |
| 11.480     | Rehab & Specialty                                   |   |            |            | 0           |   |   |   |   |           | 0          |  |              |           | 0            |   |
| 11.480     | Non-Emergency Medical Transportation (NEMT)         | 224,336   |            |            | 224,336     |   |   |   |   |           | 0          |  |              |           | 0            |   |
| 11.510     | Hospital Care                                       | 15,781,210  | 56,672,450 | 57,216,413 | 129,670,073 | Other Fund: Federal Reimbursement Allowance Fund (0142) |   |   |   |           | 0          | (6,629,074)  | (12,421,632) |           | (19,050,706) |   |
| 11.520     | Federally Qualified Health Centers (FQHCs)          |   |            |            | 0           |   |   |   |   |           | 0          | (57,369)   | (1,657)      |           | (59,026)     |   |
| 11.530     | Federal Reimbursement Allowance (FRA) Program       |   |            |            | 0           |   | 89,308,321  | Other Fund: Federal Reimbursement Allowance Fund (0142) |   |           | 0          |  |              |           | 0            |   |
| 11.560     | Show-Me Healthy Babies Program                      | 733,035   | 2,561,214  |            | 3,294,249   |   |   |   |   |           | 0          |  |              |           | 0            |   |
| 11.590     | Nursing Facilities Reimbursement Allowance Payments |   |            |            | 0           |   |   |   |   |           | 0          |  |              | (771,043) | (771,043)    | Other Fund: Nursing Facility Reimbursement Allowance (0196) |
|            |   | 29,862,366  | 82,830,038 | 57,216,413 | 169,908,817 |   | 89,308,321  |   | 4,049,008   | 7,280,057 | 11,329,065 | (666,111)  | (50,276,267) | (771,043) | (51,713,421) |   |

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|            |   | Explanation of Need               |             |             |             |  |            |             |             |   |   |             |             |             |
|------------|---|-----------------------------------|-------------|-------------|-------------|--|------------|-------------|-------------|---|---|-------------|-------------|-------------|
|            |   | 11                                |             |             |             | 12   |            |             |             |   | 13  |             |             |             |
|            |   | Total Explanation of Need Columns |             |             |             | Offsets (Including One-Time Cash Balances and Flexibility) |            |             |             |   | FY 2018 Supplemental Governor Recommended (Based on November Payroll Projections) |             |             |             |
| HB Section | Program   | GR                                | Fed         | Other       | Total       | GR   | Fed        | Other       | Total       | Explanation   | GR  | Fed         | Other       | Total       |
| 11.435     | Pharmacy  |                                   |             |             |             |  |            | (7,300,000) | (7,300,000) | \$5.3M PFRA (0144) & \$2M Rebates (0114)  | 0   | 0           | 7,300,000   | 7,300,000   |
| 11.455     | Physician Services                                  | 69,876,309                        | 105,149,479 | 0           | 175,025,788 | 25,098,679   | 11,964,722 |             | 37,063,401  | \$5.3M PFRA (0144) & \$2M Rebates (0114) & \$9.5M in CHIP Earnings & \$8.3M GR lapse flexed from various approps replace GR Need; \$21.4M Federal lapse flexed from various approps less one time CHIP earnings to replace Fed need | 44,777,630  | 93,184,758  | 0           | 137,962,388 |
| 11.460     | Dental Services                                     | 1,007,710                         | 1,654,903   | 0           | 2,662,613   |  |            |             | 0           |   | 1,007,710   | 1,654,903   | 0           | 2,662,613   |
| 11.470     | Nursing Facilities                                  | 4,816,334                         | 0           | 0           | 4,816,334   | 3,534,866  |            | (3,534,866) | 0           | \$3.5M Third Party Liability Collections Fund (0120) & \$35K Uncompensated Care Fund (0108)   | 1,281,468   | 0           | 3,534,866   | 4,816,334   |
| 11.480     | Rehab & Specialty                                   | 14,825,136                        | 29,834,257  | 0           | 44,659,393  |  |            |             | 0           |   | 14,825,136  | 29,834,257  | 0           | 44,659,393  |
| 11.480     | Non-Emergency Medical Transportation (NEMT)         | 224,336                           | 0           | 0           | 224,336     |  |            |             | 0           |   | 224,336   | 0           | 0           | 224,336     |
| 11.510     | Hospital Care                                       | 50,880,749                        | 191,408,002 | 57,216,413  | 299,505,164 | 6,054,669  | 15,617,685 |             | 21,672,354  | \$6.1M GR Lapse flexed from various appropriations; \$15.6M Fed Lapse flexed from various appropriations  | 44,826,079  | 175,790,318 | 57,216,413  | 277,832,810 |
| 11.520     | Federally Qualified Health Centers (FQHCs)          | 0                                 | 0           | 0           | 0           |  |            |             | 0           |   | 0   | 0           | 0           | 0           |
| 11.530     | Federal Reimbursement Allowance (FRA) Program       | 0                                 | 0           | 89,308,321  | 89,308,321  |  |            |             | 0           |   | 0   | 0           | 89,308,321  | 89,308,321  |
| 11.560     | Show-Me Healthy Babies Program                      | 3,616,454                         | 10,789,388  | 0           | 14,405,842  |  |            |             | 0           |   | 3,616,454   | 10,789,388  | 0           | 14,405,842  |
| 11.590     | Nursing Facilities Reimbursement Allowance Payments | 0                                 | 0           | 6,859,814   | 6,859,814   |  |            |             | 0           |   | 0   | 0           | 6,859,814   | 6,859,814   |
|            |   | 145,247,028                       | 338,836,028 | 153,384,548 | 637,467,604 | 34,688,214   | 27,582,407 | (3,534,866) | 58,735,755  |   | 110,558,813   | 311,253,624 | 164,219,414 | 586,031,851 |